

BBJ
CHARTERS INC.
A Member of the Global Companies

1000 Urban Center Drive, Suite 470
Birmingham, Alabama 35242 U S A
Tel 205 969 9696 / 800 356 2161
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SITA BHMMJXH
AFTN KBHMMEJD
WEB www.bbjcharters.com

DEPT. OF TRANSPORTATION
DOCKETS

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201946

November 13, 2002

Via FedEx

U. S. Department of Transportation
Room PL-401
400 Seventh Street, S.W.
Washington, D.C. 20590

Attention: Dockets Office

Re: **BBJ Charters, Inc.**
Application for Economic Authority and Certificates
Docket OST-2002-13495 and 13496 , 3

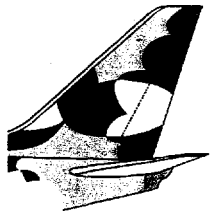
Ladies and Gentlemen:

Please find attached information faxed to Mr. James A. Lawyer on October 18, ~~2002~~.
Please enter this information into the docket for OST-2002-13495 and 13496.

Yours very truly,


Jeffrey T. Tolbert
President & CEO

Enclosures as noted



BBJ
CHARTERS INC.
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1000 Urban Center Drive, Suite 470
Birmingham, Alabama 35242 U.S.A.
Tel: 205.969.9696 / 800.356.2161
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WEB: www.bbjcharters.com

October 18,2002

Mr. James A. Lawyer
Office of Aviation Analysis
Department of Transportation
400 Seventh Street, SW.
Washington, DC 20590

Re: BBJ Charters, Inc.
Docket OST-2002-13496 and 13495

Dear Mr. Lawyer:

This is in reference to **your** letter of October 17,2002. We agree that the need for clarification stems from confusion between MEDjet International and BBJ Charters, Inc. (BBJC) and we apologize if we have inadvertently added to **this** confusion. We have addressed each paragraph in your letter **as** follows:

1. BBJC is a **start-up** carrier, and **has** been non-operational **as an** air carrier since its inception in April 2002. BBJC has operated a Boeing Business Jet on **behalf** of the aircraft's owner, BBJ One, Inc., since April 2002 (see further discussion below). MEDjet's on demand operations will continue but under the **name** of BBJ Charters, Inc. However, the **small** aircraft operations (Learjet) **will** not continue (see further discussion in paragraph 5 below).
2. BBJC is a new entity having been formed in April 2002. The reference **on** page 3 of the application to BBJC not being a start-up carrier really refers to the fact that the management team of MEDjet has moved to BBJC in total. Jeffrey Tolbert, the CEO and Director of Operations **has** had 15 years experience **as** a commercial operator. We should have been clearer that the track record we referred to is to the track record of that management team not the entity.

Even though BBJC is now the holder of a **Part** 135 certificate from the FAA, it does not hold DOT certificate authority for a large aircraft. We reached a **mutual** agreement with Ed Jeszka, our Principal Operations Inspector, that we would delay the change in the name on the air carrier certificate until certification on the BBJ was complete **so** that the certificate **name** change would also include the addition of the **B-737-700** to our operations specifications since under DOT guidelines we are a **start-up** carrier **m** large aircraft.

We were incorrect in assuming that our application would be viewed as a certificated air carrier undergoing a substantial change in operations. While we incorrectly referenced Part 204.5, that section requires the same data set specified under Part 204.3, accordingly we believe that we have submitted the information required under part 204.3 for a new air carrier.

3. Our accounting software was set on a calendar year basis so that when we printed the income statement submitted under Exhibit BBJC 201, the system defaulted to a January 1 start date. We have included a revised income statement for the period April 8 through September 30, 2002.

The income statement and balance sheet submitted for BBJC for the period from April 8 to September 30, 2002 pertain to its operation of the aircraft for the Lessor in private service only. If that was not correct, we apologize. Those financial statements do not contain any revenues for on-demand revenue service, nor has BBJC operated the aircraft in any on-demand revenue service. We thought that this information would be helpful in supporting our projections for operations in on-demand service since these past six months have allowed us to gain a good and complete understanding of what is required to operate this specific aircraft. If this income statement is not useful, please disregard it. Please note that income is only from xmanagement and consulting services only.

4. Between April 9, 2002 and September 30, 2002, BBJC operated the aircraft for the owner, BBJ One, Inc., under Part 125 with a Part 91 deviation for over 300 hours. Revenue operations prior to receiving DOT authority and FAA certification would be a clear violation of regulations. Please note from the attached letter of 125 authority to BBJ One, Inc. dated April 4, 2002 that authority restricts the operations to transportation of personnel property and guests of BBJ One, Inc. As the manager of the aircraft, we are acting on behalf of the owner and this authority will be surrendered once BBJC is approved by both DOT and FAA for certification under Part 135.

None of these operations were revenue services. We included this statement on operations as an indication that the management team of BBJC has experience with the operations of this particular aircraft and aircraft of this size and configuration

5. Assets acquired from MEDjet International included the management team, employees, operational certificate, client list, management contract with BBJ One, Inc., and certain software developed in house for the management of aircraft. Other MEDjet assets such as the Lear jet aircraft and MEDjet's ownership interest in an assistance company are being sold to disinterested third parties. After the closing of those sales, the corporation will be dissolved.

6. The management contract with BBJ One, Inc. allowed first MEDjet and now BBJC to operate the aircraft for the owner. The owner reimburses the manager for fuel, maintenance, insurance and all other costs of operations on a cost-plus basis. The management company (BBJC) is paid a fixed fee for its management services. Additionally, the contract contemplated that the management company (BBJC) **will** put the aircraft on **its** air carrier certificate and operate the aircraft in on-demand revenue service once approved by the FAA. When the management company operates the aircraft in on-demand service it **will** be paid a fixed hourly rate.

As stated in paragraph 5 above, our plan is to cease operations with small aircraft and dissolve MEDjet.

7. The management contract referenced in Exhibit BBJC-100, page 3 is the management agreement referenced in page 2. That agreement is with BBJ One, Inc. to operate a B737-700 (N737ER). There is only one management contract.
8. As stated in paragraph 4 above and the attached letter from the FAA, BBJ One, Inc. **has Part** 125 authority for non-revenue operations only. The address for BBJ One, Inc. is the same **as** BBJC because BBJC is acting **as** the agent for the owner, is the manager of the aircraft, and operates the aircraft for the owner.

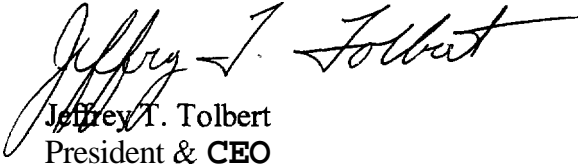
BBJC **has** no ownership interest in BBJ One, Inc. BBJ One, Inc. has now ownership interest **in** BBJC. The relationship between BBJC and BBJ One, Inc. is strictly contractual. Jeffrey T. Tolbert **has** no ownership interest in BBJ One, Inc.

9. Exhibit BBJC-100, page 1 references the execution of the management agreement. The management agreement was executed in April 2000 before the aircraft was delivered. The aircraft was delivered by Boeing, and accepted by MEDjet on behalf **of** the owner, in April 2000. The aircraft was immediately moved to Decrane Aircraft for installation of 9 long-range fuel tanks. Decrane completed its installation in October 2001 and the aircraft was moved to Ozark Aviation Services that same month for installation of the interior. Interior installation was completed in April 2002. The aircraft remained in experimental category and was certified for zero (0) passenger seats from delivery by Boeing in **April** 2000 until April 5, 2002.

Mr. James A. Lawyer
October **18,2002**
Page 4 of 4

We appreciate your reviewing our application in such an expeditious manner. We are scheduled to commence our **proving** flights with the FAA on October 28th and would greatly appreciate it if we could receive our show cause order before month end.

Yours truly,



Jeffrey T. Tolbert
President & **CEO**

Enclosures: **As** noted

cc: Edward T. Jeszka



U.S. Department
of Transportation
**Federal Aviation
Administration**

Flight Standards District Office

1500 Urban Center Drive
Suite 250
Vestavia Hills, Alabama 35242
(205)731-1557, x149, Fax: (205)731-0939

RECEIVED APR 24 2002

April 4, 2002

Mr. Jeffrey T. Tolbert
BBJ One, Inc.
1000 Urban Center Drive, Suite 470
Vestavia Hills, AL 35242

Dear Mr. Tolbert:

As requested in your letter of March 08, 2002, BBJ One, Inc. is hereby issued deviation authority from all of FAR Part 125, except as herein provided, for the purpose of providing transportation of personnel, property, and guests of BBJ One, Inc.

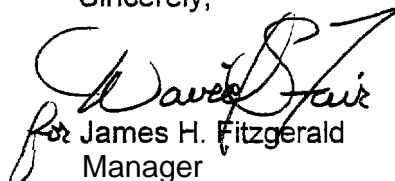
This deviation is issued with the understanding that BBJ One, Inc. will:

- a. Operate its Boeing 737-700-IGW (BBJ) aircraft, N737ER, in compliance with FAR Part 91.
- b. Notify the manager of the Birmingham, AL FSDO of any material change in the facts stated in your request for deviation dated March 08, 2002.

Any operations other than those authorized by this letter may result in the termination of this deviation authority. This letter of authority must be surrendered upon the request of the Administrator or an authorized representative.

A copy of this letter must be carried in the airplane as required by FAR 125.7 and presented for inspection upon the request of the Administrator or an authorized representative.

Sincerely,


for James H. Fitzgerald
Manager

B.B.J. Charters, Inc.
Statement of Income
from
Private Operations
April 8 through September 30, 2002

EXHIBIT BBJC-201

	<u>Jan - Sep 02</u>
Income	
Charter Revenue	0.00
Consultant Revenue	34,955.00
Aircraft Management Revenue	<u>2,396,942.90</u>
Total Income	<u>2,431,897.90</u>
Expense	
Aircraft Management Fees	99,000.00
Aircraft Supplies & Stock Inven	21,352.25
Communications	
Cell Phone	4,038.46
Other	5,453.92
Satellite Phone	5,582.90
SITA/ARINC	1,117.98
Telephone	<u>1,348.62</u>
Total Communications	<u>17,541.88</u>
Computer Flight Plans & Weather	2,091.07
Consultant Fees	
Legal Consultant Fees	578.25
Consultant Fees - Other	<u>12,247.76</u>
Total Consultant Fees	<u>12,826.01</u>
Dues, Subscriptions, & Publicat	35,687.12
Equipment	
Medical System Engineer, Equipmt	<u>226,297.61</u>
Total Equipment	<u>226,297.61</u>
Financial Processing Fees	
Wire Transfer Fees	123.00
Interest/Late Fees	1,336.91
Financial Processing Fees - Other	<u>1,174.00</u>
Total Financial Processing Fees	<u>2,633.91</u>
Flight Hour Expenses	
Galley Supplies & Catering	32,486.04
Ground Handling & Overnite Prkg	209,491.25
Jet Fuel	190,815.64
Overflight Charges	67,873.53
Parts , Avionics, & Sublet Repai	<u>106,692.78</u>
Total Flight Hour Expenses	<u>607,359.24</u>
Freight, Postage & Shipping	3,018.52

B.B.J. Charters, Inc.
Statement of Income
from
Private Operations
April 8 through September 30, 2002

EXHIBIT BBJC-201

	<u>Jan - Sep 02</u>
Insurance	
Aircraft Hull & Liability Insur	<u>555,000.00</u>
Total Insurance	555,000.00
Marketing & Advertising	17,412.82
Miscellaneous	-100.00
Office Supplies	3,395.26
Payroll Expenses	
Captain	166,268.11
Chief Pilot	15,000.00
First Officers	3,541.67
Flight Attendants	37,054.28
Lead Flight Attendant	58,749.97
Lead Mechanic	37,500.00
Thai Masseuse	<u>1,400.00</u>
Total Payroll Expenses	319,514.03
Personnel/Human Resources	
Applicant Interviews	13,421.86
FAA required Drug Testing & Req	748.25
Health Insurance	8,400.00
Immunizations	4,835.64
industrial Physiological Testin	11,000.00
Uniforms	<u>8,123.53</u>
Total Personnel/Human Resources	46,529.28
Training/Education	
Flight Attendant Training	34,516.28
Maintenance Training	209.68
Medical Crew Training	4,301.00
Travel Exp for Training	<u>17,913.98</u>
Total Training/Education	56,941.14
Travel Expenses	
Administrative Travel Expenses	29,784.39
Crew Housing & Hotel Expenses (100,198.61
Crew Per Diem (meals, laundry,	44,966.19
Crew Trvl Altwnc (to/from base)	<u>28,417.35</u>
Total Travel Expenses	<u>203,366.54</u>
Total Expense	<u>2,229,866.68</u>
Net Income	<u><u>202,031.22</u></u>

X-56

**BEFORE THE
DEPARTMENT OF TRANSPORTATION
WASHINGTON, D.C.**

DEPT. OF TRANSPORTATION
DOCKETS

02 OCT -2 AM 11:53

Application of

BBJ CHARTERS, INC.

**For issuance of a certificate of public
convenience and necessity pursuant to 49
U.S.C. § 41102 to engage in interstate charter
air transportation.**

Docket OST-02-

13496

APPLICATION OF

BBJ CHARTERS, INC.

Communications with respect to this document should be sent to:

**Jeffrey T. Tolbert, President & CEO
BBJ Charters, Inc.
1000 Urban Center Drive
Suite 470
Birmingham, Alabama 35242
Phone: (205) 969-9696
Fax: (205) 969-8088
E-mail: jtolbert@bbicharters.com**

NOTICE: Applicant requests that this Application be processed in accordance with the expedited procedures set forth in 14 CFR Part 302, Subpart B. Any person may file an answer to this Application with the Department of Transportation and must serve all parties named on the attached service list. Answers to this Application are due to be filed on or before October 17, 2002.

Dated: September 30, 2002

October 17, 2002

Jeffrey Tolbert

Let me preface this request by stating that I believe the **questions** and **the** need for clarification may arise from some confusion over material **related** to **MEDjet** International, Inc., and material related to **BBJ** Charter, Inc. (BBJC).

When we dismissed **MEDjet's** applications by **Order 2002-9-4** for what was due primarily failure to submit requested information necessary to prosecute **its** applications, we **informed** **MEDjet** that it was **free** to **refile** at a **later** date. It was uncertain as to **whether** a new application would be filed under the **MEDjet** name. Of course, the application was filed under **BBJ** Charter, Inc.. Prior to reviewing the application I assumed that **BBJC** would be **considered a start-up carrier** and **be** non-operational pending receipt of effective DOT certificate authority. I assumed that **MEDjet's** ondemand **operations** would continue. That appears not to **be** the case.

BBJC's application states that it was established on April 8, 2002. Page 3 of the application states that **BBJC** is **not** a **start-up**, but **rather** an **existing carrier** with 15 years of experience. That same page describes **BBJC** as a "new carrier" who **has** a successful track record as a commercial operator. To what entity is being referenced and under what authority were such operations being conducted? That page **also states that** information is **being** filed as required under **Part 204.5** from **certificated** air carriers undergoing or proposing to undergo **substantial** change in operations, ownership or management. It is **uncertain** as to what entity is being considered as undergoing such changes.

Although BBJC states that it was established on April 8, 2002, it submitted **an** income **statement** for **the** period January 2002 to September 2002. It also submitted a balance sheet as of September 30, 2002. Do **these** statements represent the operations of **BBJC**? If so, provide explanatory footnotes, as applicable, for these financial statements.

BBJC states that between April 9, 2002 and September 30, 2002, **BBJC** operated the **BBJ** throughout various United States and foreign locations for a total of 300 + hours. Please describe such operations. Were these on-demand services?

BBJC states that it **has** acquired certain assets of **MEDjet International, Inc.** Please describe.

Exhibit **BBJC-100, page 2** states that **BBJC** acquired the management **contract** for **the BBJ** from **MEDjet, International, Inc.**, along with **its air carrier** operations **i.e., Part 135** certificate number and **its** employees. Of what does this management contract consist? What **was** the effect of this on the operations of **MEDjet**?

Exhibit **BBJC-100, page 3** **references** a management agreement with **BBJ One, Inc.** Is **this** the same agreement referenced **in** page 2.

The lessor of the **BBJ** is **BBJ One**. FAA records show that **BBJ One, Inc.**, is a Part 125 operator. The FAA **listed** address is the same as the address for **BBJC**. Please describe any relationships between **BBJC** and **BBJ One**.

Exhibit **BBJC-100, page 1** states that **MEDjet** executed an agreement with **BBJ One** to manage their new **BBJ** in April 2000. When did **MEDjet** accept delivery of **the BBJ**.

Please accept my apology if I inquired about something which was in the application and I overlooked it. I wanted to get this to you.

We request that you respond to the above questions within 21 days of the date of this request. If you have questions, please contact me on 202-366-1064.

Jim Lawyer

FAXED

FAX

FROM:

BBJ CHARTERS, INC.
1000 URBAN CENTER DRIVE
SUITE 470
BIRMINGHAM, AL 35242
PHONE: 205/969-9696
FAX: 205/969-8088

TO: James A. Lawyer
OF: DOT Air Carrier Fitness Division
FAX NO.: 202.366.7638
CC: Edward Jeszka, FSDO (Fax 731-0939)
DATE: 18 October 2002
RE: OST 2002-13496 and 13495
FROM: Jeffrey T. Tolbert

PAGES: 8, including this cover sheet.

Please see attached.

HP OfficeJet T Series
Personal Printer/Fax/Copier/Scanner

Fax History Report for
The Global Companies
205-969-8088
Oct 18 2002 3:28pm

Last Fax

<u>Date</u>	<u>Time</u>	<u>Type</u>	<u>Identification</u>	<u>Duration</u>	<u>Pages</u>	<u>Result</u>
Oct 18	3:25pm	Sent	12023667638	2:43	8	OK

Result:

OK - black and ~~white~~ fax

OK color - color fax